

December 6, 2018

The Honorable Sonny Perdue Secretary U.S. Department of Agriculture 1400 Independence Avenue SW Washington, D.C. 20250

Dear Secretary Perdue:

We write to update you on the severe burden retaliatory tariffs have placed on America's cranberry growers, who were already facing extremely challenging market conditions due to years of low prices and oversupply. We urge you to provide resources to cranberry growers comparable to the relief measures you have provided to other agricultural commodities impacted by tariffs. Other commodities, including specialty crops such as almonds and sweet cherries, have received direct payments as part of the tariff relief package, and we ask that you provide similar assistance to cranberry growers. In determining the form and amount of assistance, we ask that you account for the uniquely difficult market conditions the cranberry industry has been facing in addition to the sudden new economic damage of retaliatory tariffs.

A variety of factors have converged to create years of challenging market conditions for cranberries, and cranberry growers and processors have been working diligently to address oversupply and expand markets. The cranberry industry faces especially difficult challenges in responding to oversupply, given the perennial nature of cranberry vines. Growers have attempted to self-regulate their output in multiple recent growing seasons through volume regulations, but USDA's failure to issue timely decisions on proposed volume regulations has prevented cranberry growers from addressing their oversupply challenges with this proactive tool.

The cranberry industry has also sought to address oversupply by expanding international markets for cranberry products and has invested considerable money and effort toward this goal over many years, particularly focusing on building cranberry markets in China. Chinese retaliatory tariffs seriously undermine these investments and business relationships, threatening to erase the anticipated return on the industry's investment. Other burgeoning export markets, including the European Union, have also imposed tariffs on cranberries, and can easily substitute cranberry imports from Canada and other countries without tariffs to replace American cranberries. The European Union, Canada, Mexico and China have imposed retaliatory tariffs on cranberries, impacting approximately 76 percent of all U.S. cranberry exports. These trade barriers stand to threaten market gains for American cranberry products in the short and long term.

Cranberry growers face uniquely challenging circumstances and have worked hard to improve market conditions on their own. However, progress on reducing oversupply has stalled because of lack of prioritization at the USDA, and trade barriers have rapidly undermined key foreign markets. Tariff aid to cranberry growers has fallen short of addressing the severity of these

losses. We ask that USDA support the cranberry growers' efforts to restore balance to the market by accounting for longstanding adverse cranberry market conditions, as well as the costs growers have already incurred due to retaliatory tariffs and provide cranberry growers resources on par with other severely impacted agricultural products, through payments to producers, commodity purchases and trade promotion assistance.

Sincerely,

United States Senator

Ron Johnson

Robert Menendez United States Senator

United States Senator

Maria Cantwell United States Senator

Elizabeth Warren Uni ed States Senator

Ron Wyden United States Senator

Jeffrey A. Merkley United States Senator

United States Senator

United States Senator